[6th March 1950

THE DEPUTY CHAIRMAN :—" The question is—

' that this House deeply sympathizes with the victims and the families of the dead in the recent Calcutta Mail disaster and strongly condemns those who are responsible for the tragedy if it was due to sabotage, and thanks Providence for the miraculous escape of our Chairman. While appreciating the prompt relief arrangements made by the Government, the Railway authorities, the police, certain public bodies and persons, this House recommends to the Government to take up with the Government of India adequate measures for relieving the distress caused by this disaster and to take immediate and effective steps to prevent similar occurrances in future—steps for which in the opinion of this House the public should give their closest co-operation and active support '."

This Resolution was carried *nem con.*

VI.—PROCEDURE FOR INTRODUCING BUDGET UNDER THE NEW CONSTITUTION.

JANAB K. T. M. AHAMED IBRAHIM :—" On a point of information, Sir, I want to know what procedure is going to be followed by the House with regard to the budget for the year 1950–51, especially in view of the specific provision contained in Article 204 of the New Constitution, laying down the procedure in regard to Appropriation Bills. In that case, Sir, we shall have to discuss the budget twice, because after the budget has been passed in the Legislative Assembly, the Appropriation Bill has to be brought before the Assembly and after it is passed there, it has to come before this House. We shall have to discuss the budget twice according to the procedure prescribed in Article 204 of the Constitution, as we are now governed by the provisions of the Constitution Act.

" Secondly, Sir, from the manner in which the budget has been introduced before this House this year, I surmise that the old procedure is being followed, although a different procedure has been prescribed under the New Constitution regarding Appropriation Bills.

11-45 a.m. " Last year, I drew the attention of the House and of the President to the fact that the presentation of the budget became stale on account of the fact that the same speech was read here. It was agreed by the Leader of the House that the procedure of presenting the budget simultaneously might be adopted following the procedure adopted in the House of Commons, or the procedure that was being adopted in the Central Assembly and also in this House during the previous Congress Cabinet. When we had agreed on this point, I do not know why the budget was presented here only in the afternoon. There is nothing against the presentation of the budget simultaneously in both the Houses under the Constitution. Article 202 of the Constitution says—

' 202. (1) The Governor shall in respect of every financial year cause to be laid before the House or Houses of the Legislature of the State a statement of the estimated receipts and expenditure of the State for that year, in this part referred to as the annual financial statement.'

6th March 1950] [Janab K. T. M. Ahamed Ibrahim]

There is therefore ample room for the presentation of the budget simultaneously before both the Houses, and I do not know why this House should be treated in a different manner now also. Also I would like to know whether the Appropriation Bill will come before this House, after it has been passed by the Assembly, and whether we will have an opportunity of discussing it here."

THE HON. SRI B. GOPALA REDDI :—" Sir, with regard to the Appropriation Bill, the President has enabled us to follow the old procedure for this year, because the dates for the budget discussion were all fixed by His Excellency the Governor long before 26th January 1950, and therefore we are following the same old procedure. Next year, we will conform to the provisions of the Constitution.

" With regard to the presentation of the budget in the afternoon in the Council, if I can be relieved the trouble of reading it again, I shall certainly be thankful, and if that is the wish of the House, copies of the budget speech can be distributed to this House and the Chairman. But I think there is no provision for a joint sitting of both the Houses for the presentation of the budget. Under the Constitution, only for hearing His Excellency the Governor's address there is provision for a joint sitting. There is no provision for a joint sitting of both the Houses for hearing the Finance Minister's budget speech."

JANAB K. T. M. AHAMED IBRAHIM :—" Simultaneously, I mean."

THE HON. SRI B. GOPALA REDDI :—" The Finance Minister must sit in one House. (Interruption.) If different persons should present the budget in the two Houses, and if the Leaders of the two Houses should read the budget speech simultaneously, then of course I have no objection."

JANAB K. T. M. AHAMED IBRAHIM :—" That is all I meant."

THE HON. SRI B. GOPALA REDDI :—" That could be arranged."

JANAB K. T. M. AHAMED IBRAHIM :—" Sir, the Hon. the Finance Minister says that the budget alone will be discussed. But what about Article 204 in the New Constitution? It is a statutory provision. Has the President the right to ignore it and say that no Appropriation Bill need be brought forward? "

THE HON. SRI B. GOPALA REDDI :—" In exercise of the powers conferred by the Temporary and Transitional Provisions, the President has enabled this Government to adopt the old procedure of not presenting any Appropriation Bill."

JANAB K. T. M. AHAMED IBRAHIM :—" I searched for the Transitional Provisions, but could not find any."

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THE HON. SRI K. MADHAVA MENON :—" Under the provisions of Article 392 of the Constitution, the President has issued the order. The Article says—

'392 (1) The President may, for the purpose of removing any difficulties, particularly in relation to the transition from the provisions of the Government of India Act, 1935, to the provisions of this Constitution, by order direct that this Constitution shall, during such period as may be specified in the order, have effect subject to such adaptations, whether by way of modification, addition or omission, as he may deem to be necessary or expedient.'

The President has issued an order to the effect that the same old procedure may be followed this year also. Further, Article 204 comes in only after the Assembly passes and makes the grants. In the first place the demands have to be passed in the Assembly. The demands passed by the Assembly shall then come here."

JANAB K. T. M. AHAMED IBRAHIM :—" I do not know whether this enabling Article covers such cases. Only when there are any difficulties the President can use his powers. There was ample time between January 26 and now for bringing forward an Appropriation Bill. I cannot agree that there is any insuperable difficulty in regard to this matter."

DR. V. K. JOHN :—" Sir, I am afraid this discussion is the result of a misapprehension of the provisions of the Constitution, and I do not see why the Finance Minister should explain in an apologetic manner why the procedure in the Constitution is not adopted. Article 202 says that an annual financial statement must be laid before the Houses of the Legislature. Article 202 (2) says—

'. . . and shall distinguish expenditure on revenue account from other expenditure.'

We must distinguish expenditure on revenue account from other expenditure. The Legislature has no power to touch the expenditure charged on the Consolidated Fund of each State. Article 203 (1) says—

'So much of the estimates as relates to expenditure charged upon the Consolidated Fund of a State shall not be submitted to the vote of the Legislative Assembly . . .',

but that expenditure can be discussed. Article 203 (2) says—

'So much of the said estimates as relates to other expenditure shall be submitted in the form of demands for grants to the Legislative Assembly, and the Legislative Assembly shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein.'

Article 203 (3) says—

'No demand for a grant shall be made except on the recommendation of the Governor.'

Now, these demands under Article 203 (2) must be assented to or refused by the Legislative Assembly. Article 204 comes only at a subsequent stage. It says—

'204 (1). As soon as may be after the grants under Article 203 have been made by the Assembly, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of the State of all moneys required to meet

(*a*) the grants so made by the Assembly ; and . . .'

6th March 1950] [Dr. V. K. John]

Now we are at the first stage of ' annual financial statement '. It is just the same as in previous years. The rules also are the same under which we are discussing the budget. Then these demands will go to the vote of the Assembly, and the Assembly will grant the demands because the Government have a majority there. The new obligation under the Constitution is that as soon as may be after the grants under Article 203 have been made by the Assembly, there shall be introduced a Bill to provide for the appropriation out of the Consolidated Fund of the State of all moneys required to meet the grants so made by the Assembly. That stage, we have not yet reached, and I do not see any objection to discussing the financial statement. We are following the correct procedure, and we do not need any emergency law at all for this purpose. The Constitution itself provides for this. We have followed that procedure, and we intend to follow that procedure. The stage mentioned in Article 204 is far off. The Assembly has first of all to pass the demands, and then a Bill has to be introduced there. I do not see how any objection could be raised now, and I do not know why the Hon. the Finance Minister should introduce anything here other than what is stated in Articles 202 and 203 of the Constitution.''

JANAB K. T. M. AHAMED IBRAHIM :—" Sir, I have not raised any objection. I only wanted that the position should be clarified. I wanted to know whether this budget would come before this House again in the shape of an Appropriation Bill, and whether there would be another discussion. I think the Hon. the Finance Minister has very well understood my point though the Hon. the Leader of the Opposition has not understood. The Hon. Mr. Madhava Menon also has understood my point, and he has stated that the President, in exercise of the enabling provisions in the Constitution, has exempted this Government from adopting the new procedure mentioned in Article 204. Therefore, my point has been met. I am not able to understand the objection raised by Dr. John to my point seeking clarification."

SRI B. BHIMA RAO :—" Sir, may I say a few words in addition to what has been stated by my hon. Friend Dr. John in reply to the hon. Member Mr. Ibrahim? I would here refer to Article 208. It says—

' 208 (1) A House of the Legislature of a State may make rules for regulating, subject to the provisions of this Constitution, its procedure and the conduct of its business.

(2). Until rules are made under clause (1), the rules of procedure and standing orders in force immediately before the commencement of this Constitution with respect to the Legislature for the corresponding Province shall have effect in relation to the Legislature of the State subject to such modifications and adaptations as may be made therein by the Speaker of the Legislative Assembly, or the Chairman of the Legislative Council, as the case may be.'

After the enactment of this Constitution, rules have been framed under Clause (2) of Article 208, and I have received a copy of the rules recently. On page 24, Chapter XIV, rules are framed with regard to the transaction of financial business which, practically, are the same as before. Days have been allotted for discussion."

JANAB K. T. M. AHAMED IBRAHIM :—" Rules cannot contravene the provisions of the Constitution."

SRI B. BHIMA RAO :—" Four days have been fixed for discussion of the budget. Then, Sir, there is another point raised by the hon. Member Mr. Ibrahim—whether after the Appropriation Bill is passed by the Assembly, it will come before this House. I think it has to come before us though we are powerless and cannot add anything to what has been granted by the Assembly."

THE DEPUTY CHAIRMAN :—" It is only a question of information. That question does not arise at this stage. We are now in an earlier Article dealing with the discussion of the budget. The information that is supplied now is sufficient enough to proceed further."

JANAB K. T. M. AHAMED IBRAHIM :—" Sir, I would like to know whether the President of the Republic in his order has specifically mentioned, that the Appropriation Bill might not be brought before this House, and, if so, whether that order will be placed before this House so that we may know that no provision of the Constitution is violated."

THE HON. SRI B. GOPALA REDDI :—" The dates for the discussion of the budget were fixed by His Excellency the Governor in October 1949, and therefore we could not adopt the provisions of the Constitution. This point was specifically raised before the President of the Republic, and he has agreed that the old procedure might be followed. I shall see that his order is made available to hon. Members."

VII.—GENERAL DISCUSSION OF THE BUDGET FOR 1950-51.

THE DEPUTY CHAIRMAN :—" The hon. Member Sri N. Venkatachalamaji will now speak."

THE HON. SRI B. GOPALA REDDI :—" Sir, the first speaker may be from the Opposition side."

* SRI R. SURYANARAYANA RAO :—" Mr. Deputy Chairman, Sir, I had no intention to be the first speaker to-day. I expected, as usual, my hon. Friend Mr. Bhima Rao to forestall me.

" Sir, before I deal with the budget proper, I think I will be in order if I refer to some general considerations as this is the only occasion when Members of this House have an opportunity of expressing their views on general matters which affect this State. We have been listening or reading a great deal about the Party squabbles in the Party to which the Treasury Bench belongs. We are not concerned with the grounds on which these squabbles take place. But we are concerned with the general effect they have
12 noon. on administration. They have a demoralising effect. There was a convention laid down that no Member of the Legislature should rush to the Press and give in advance any motion or question till